ESCAPE FROM DEMOCRACY

The orthodox view of economic policy holds that public deliberation sets the goals or ends, and then experts select the means to implement these goals. This assumes that experts are no more than trustworthy servants of the public interest. David M. Levy and Sandra J. Peart examine the historical record to consider cases in which experts were trusted, with disastrous results, such as in the field of eugenics, the regulatory use of security ratings, and central economic planning. This history suggests that experts have not only the public interest but also their own interests to consider. The authors then recover and extend an alternative view of economic policy that subjects experts’ proposals to further discussion, resulting in transparency and ensuring that the public obtains the best insights of experts in economics while avoiding pitfalls such as expert bias.

David M. Levy is Professor of Economics at George Mason University. He has worked with Sandra J. Peart at the University of Richmond for fifteen years, and both have codirected the Summer Institute for the History of Economics. He is a distinguished fellow of the History of Economics Society.

Sandra J. Peart is Dean and Professor in the University of Richmond’s Jepson School of Leadership Studies. She is a former president of the History of Economics Society and President of the International Adam Smith Society.
Democratic action is *hard*. It means government by discussion, and the organization of discussion itself, as I said before, involves the main problems. Not much intercommunication is even theoretically possible. As the world is built, the cards are heavily stacked in favor of centralization. Even in one direction, communication is bad enough; … as to inter-communication – even with two persons there is an insoluble problem of dividing the time for both between speaking and listening; … with larger numbers, the limitation increases rapidly.

Frank Knight (1951)
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